

EC-9395. A communication from the Associate Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Kiwifruit Grown in California; Temporary Suspension of Inspection and Pack Requirements" received on June 14, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC-9396. A communication from the Associate Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Revision of Regulations for Permissive Inspection" (RIN0581-AB65) received on June 14, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC-9397. A communication from the Acting Administrator of the Rural Utilities Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "7 CFR 1728, 'Specifications and Drawings for Underground Electric Distribution'" received on May 24, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC-9398. A communication from the Acting Administrator of the Rural Utilities Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "7 CFR 1710, 'General and Pre-Loan Policies and Procedures Common to Insured and Guaranteed Loans'" (RIN0572-AB52) received on May 30, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC-9399. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Noxious Weeds; Update of Weed and Seed Lists" received on May 25, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC-9400. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Mexican Fruit Fly Regulations; Removal of Regulated Area" received on June 8, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC-9401. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Plum Pox" received on June 1, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC-9402. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Pine Shoot Beetle; Addition to Quarantined Areas" received on June 14, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC-9403. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Pork and Pork Products from Mexico Transiting the United States" received on June 14, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

EC-9404. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Importation of Grapefruit, Lemons, and Oranges from Argentina" (RIN0579-AA92) received on June 15, 2000; to the Committee on Agriculture, Nutrition, and Forestry.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. BAUCUS:

S. 2780. A bill to authorize the Drug Enforcement Administration to provide reimbursements for expenses incurred to remediate methamphetamine laboratories, and for other purposes; to the Committee on the Judiciary.

By Mr. LEAHY (for himself, Mr. BENNETT, and Mr. LIEBERMAN):

S. 2781. A bill to amend the Internal Revenue Code of 1986 to provide that a deduction equation to fair market value shall be allowed for charitable contributions of literary, musical, artistic, or scholarly compositions created by the donor; to the Committee on Finance.

By Mr. WARNER (for himself and Mr. BYRD):

S. 2782. A bill to establish a commission to examine the efficacy of the organization of the National Nuclear Security Administration and the appropriate organization to manage the nuclear weapons programs of the United States; to the Committee on Armed Services.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LEAHY (for himself, Mr. BENNETT, and Mr. LIEBERMAN):

S. 2781. A bill to amend the Internal Revenue Code of 1986 to provide that a deduction equal to fair market values shall be allowed for charitable contributions of literary, musical, artistic, or scholarly compositions created by the donor; to the Committee on Finance.

ARTIST-MUSEUM PARTNERSHIP ACT

Mr. LEAHY. Mr. President, I rise today to introduce legislation, the "Artist-Museum Partnership Act," which would encourage the donation of original works by artists, writers and composers to museums and other public institutions, thus ensuring the preservation of these works for future generations. This bill would achieve this by restoring tax equity for artists. Artists who donate their self-created works, like art collectors who donate identical pieces, would be allowed to take a tax deduction equal to the fair market value of the work.

Under current law, art collectors who donate works to qualified charitable institutions may take a tax deduction equal to the fair market value of the work. This serves as a powerful and effective incentive for collectors to donate works to public museums, galleries, libraries, colleges and other institutions rather than keep them hidden from the public eye. Unfortunately, artists who create those same works may not take such a deduction. Instead, artists may only deduct the material cost of the work which is, in most cases, a nominal amount. This is simply unfair to artists in Vermont, and artists across the nation, who want to donate their works for posterity.

Prior to 1969, artists and collectors alike were able to take a deduction

equivalent to the fair market value of a work, but Congress changed the law with respect to artists in the Tax Reform Act of 1969. Since then, fewer and fewer artists have donated their works to museums and cultural institutions. The sharp decline in donations to the Library of Congress clearly illustrates this point. Until 1969, the Library of Congress received 15 to 20 large gifts of manuscripts from authors each year. In the four years following the elimination of the deduction, the library received only one gift. Instead, many of these works have been sold to private collectors, and are no longer available to the general public.

For example, prior to the enactment of the 1969 law, Igor Stravinsky planned to donate his papers to the Music Division of the Library of Congress. But after the law passed, his papers were sold instead to a private foundation in Switzerland. We can no longer afford this massive loss to our cultural heritage. This loss was an unintended consequence of the tax bill that should now be corrected.

Over thirty years ago, Congress changed the law for artists in response to the perception that some taxpayers were taking advantage of the law by inflating the market value of self-created works. Since that time, however, the government has cut down significantly on the abuse of fair market value determinations. Under this legislation, artists who donate their own paintings, manuscripts, compositions, or scholarly compositions, would be subject to the same new rules that all taxpayer/collectors who donate such works must now follow. This includes providing relevant information as to the value of the gift, providing appraisals by qualified appraisers, and, in some cases, subjecting them to review by the Internal Revenue Service's Art Advisory Panel.

In addition, donated works must be accepted by museums and libraries, which often have strict criteria in place for works they intend to display. The institution must also certify that it intends to put the work to a use that is related to the institution's tax exempt status. For example, a painting contributed to an educational institution must be used by that organization for educational purposes. It could not be sold by the institution for profit. Similarly, a work could not be donated to a hospital or other charitable institution, that did not intend to use the work in a manner related to the function constituting the donee's exemption under section 501 of the tax code. Finally, the fair market value of the work could only be deducted from the portion of the artist's income that has come from the sale of similar works, or related activities.

In addition to restoring tax equity for artists and collectors, this bill would also correct another disparity in the tax treatment of self-created works—the difference between how the same work is treated before and after

an artist's death. While artists may only deduct the material costs of donations made during their lifetime, donations of those same works after death are deductible from estate taxes at the fair market value of the work. In addition, when an artist dies, works that are part of his or her estate are taxed on the fair market value.

The time has come for us to correct an unintended consequence of the 1969 bill and encourage rather than discourage the donations of art works by their creators. The public benefit to the nation, when artists are encouraged to contribute their works during their lifetimes, cannot be overemphasized. It allows historians, scholars, and the public to learn directly from the artist about his or her work. From artists themselves, we can learn how a work was intended to be displayed or interpreted and what influences affected the artist.

In Vermont, we were lucky enough to have Sabra Field, a well known artist who has been creating wood block prints for the past 40 years, donate over 500 of her own original prints to Middlebury College, at their behest. With those prints, Middlebury will establish the Sabra Field Collection so that students of the college as well as Vermonters and visitors to our state will be able to view her original works on display. We Vermonters owe her our thanks for her incredible generosity. Under current law, Ms. Field, whose prints have sold for up to \$4,000 on the market, was unable to deduct the fair market value of the donated works from her taxes, as a collector of those same works would have been able to. In that instance, the public's gain was Ms. Field's loss. This legislation would create a win-win situation for all.

The Senate recently recognized the importance of the arts in our children's education when it passed a resolution designating March 2000 as "Arts Education Month." The Artist-Museum Partnership Act could make a critical difference in an artist's decision to donate his or her work, rather than sell it to a private party, where it may become lost to the public forever. I cannot think of a better way to enhance arts education than to encourage the donation of art works by living artists, a few of whom we are lucky enough to have in Vermont, to public institutions across the nation.

I want to thank my colleagues Mr. BENNETT and Mr. LIEBERMAN for co-sponsoring this bipartisan legislation. Mr. President, I would also like to submit to the record a letter from the Association of Art Museum Directors, in support of this bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ASSOCIATION OF ART
MUSEUM DIRECTORS,
Washington, DC, May 25, 2000.

Hon. PATRICK LEAHY,
U.S. Senate, Washington, DC.
Hon. ROBERT BENNETT,
U.S. Senate, Washington, DC.

DEAR SENATORS LEAHY AND BENNETT. On behalf of the Association of Art Museum Directors (AAMD), I thank you for introducing legislation that would allow artists, composers and writers to take a deduction of the fair-market value of a contribution of their own work to a charitable institution.

As a result of changes to the tax code in 1969, visual artists, writers and composers can no longer take a deduction based on the fair-market value of a contribution of their own work to a charitable organization. The artists' deduction is limited to the cost of materials in preparing a work—in the case of a visual artist, canvas and paint. However, a collector, making an identical donation, may take the fair market value of the work. Also, once the artist dies, his or her spouse may contribute the work and use the fair-market value as the basis of the donation.

As a result, contributions to museums and libraries by living artists and writers have all but disappeared in the last 30 years, depriving the public of access to its cultural heritage, since many of the pieces are sold abroad or into private collections and never seen again. If instead the works were contributed to a charitable institution, the artists could, while still alive, provide interpretations and insights that would be of enormous benefit to the public in understanding 20th century art.

Artists like Chuck Close and Sam Gilliam who have achieved a considerable degree of success, would be more willing to share their work with the public through donations to major institutions. However, the benefits of the proposed legislation would not be limited to major artists and institutions.

Many smaller museums would benefit from contributions by local artists in the community who could be important in documenting geographic, ethnic, religious or regional examples of art.

The AAMD, which was founded in 1916 and represents 170 art museums nationwide, fully supports the enactment of this legislation.

Sincerely,
MILLICENT HALL GAUDIERI,
Executive Director.

By Mr. WARNER (for himself and Mr. BYRD):

S. 2782. A bill to establish a commission to examine the efficacy of the organization of the National Nuclear Security Administration and the appropriate organization to manage the nuclear weapons programs of the United States; to the Committee on Armed Services.

NATIONAL COMMISSION ON NUCLEAR SECURITY

Mr. WARNER. Mr. President, this legislation on behalf of myself and Senator BYRD, believe would establish a commission to examine the Department of Energy; National Security programs, which I believe will help restore the trust of the American people in the nuclear weapons programs of the United States.

Mr. President, 2 weeks ago, the Nation learned that two identical computer hard drives, containing highly classified nuclear weapons information, were missing at the Los Alamos National Laboratory. These computer

discs are used by the Department of Energy's Nuclear Emergency Search Team (known as NEST) to respond to incidents of nuclear terrorism or other nuclear incidents.

The Committee on Armed Services held a hearing, in both open and closed session, earlier this week to hear from the Secretary of Energy on this matter. I must tell my colleagues that I was not satisfied with all the answers provided by the Secretary during that hearing.

Sadly, this most recent incident is just one more potentially catastrophic security failure in a series of security failures at our important nuclear weapons labs. I need not remind my colleagues that it was just one year ago this week that Congress was in the midst of an intensive investigation into allegations of Chinese espionage at these very same Department of Energy labs.

Under the Rules of the Senate, the Committee on Armed Services is responsible for "the national security aspects of nuclear energy," which includes the DOE nuclear weapons labs. We take this responsibility very seriously.

That is why, today, I and Senator BYRD are sending to the desk a bill to establish a congressional commission—with commissioners to be appointed solely by the leadership of the Congress—to examine the efficacy of the current structure of DOE and to make recommendations to the Congress on whether the Department of Energy's national security programs—particularly nuclear weapons programs—should remain as a semiautonomous agency within the Department of Energy, or be moved to the Department of Defense, or possibly be established as an independent agency, as was the case with the Atomic Energy Commission.

Let me be clear, this commission will not re-examine or make recommendations regarding the internal structure of the NNSA, which was thoroughly reviewed and debated during the National Defense Authorization Conference last year. Nor will it hinder the new NNSA Administrator's efforts to fully establish his new agency. I am confident that, under General John Gordon's leadership, the internal structure of the NNSA will be sound. To the contrary, the existence of the commission will act as a safeguard against those who would seek to impede General Gordon in carrying out his statutory missions.

There is no higher calling—of any Member of this body or any President—than to protect this great Nation from the threats from nuclear weapons.

It is my intent to require this commission to report back to Congress in May of next year, to capture both the current and the forthcoming Administrations' views on where these programs should reside.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2782

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NATIONAL COMMISSION ON NUCLEAR SECURITY.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the “National Commission on Nuclear Security” (in this section referred to as the “Commission”).

(b) ORGANIZATIONAL MATTERS.—(1)(A) Subject to subparagraph (B), the Commission shall be composed of 14 members appointed from among individuals in the public and private sectors who have recognized experience in matters related to nuclear weapons and materials, safeguards and security, counterintelligence, and organizational management, as follows:

(i) Three shall be appointed by the Majority Leader of the Senate.

(ii) Two shall be appointed by the Minority Leader of the Senate.

(iii) Three shall be appointed by the Speaker of the House of Representatives.

(iv) Two shall be appointed by the Minority Leader of the House of Representatives.

(v) One shall be appointed by the Chairman of the Committee on Armed Services of the Senate.

(vi) One shall be appointed by the ranking member of the Committee on Armed Services of the Senate.

(vii) One shall be appointed by the Chairman of the Committee on Armed Services of the House of Representatives.

(viii) One shall be appointed by the ranking member of the Committee on Armed Services of the House of Representatives.

(B) The members of the Commission may not include a sitting Member of Congress or any officer of the United States who serves at the discretion of the President.

(C) Members of the Commission shall be appointed not later than 60 days after the date of the enactment of this Act.

(2) Any vacancies in the Commission shall be filled in the same manner as the original appointment, and shall not affect the powers of the Commission.

(3)(A) Subject to subparagraph (B), the chairman of the Commission shall be designated by the Majority Leader of the Senate, in consultation with the Speaker of the House of Representatives, from among the members of the Commission appointed under paragraph (1)(A).

(B) The chairman of the Commission may not be designated under subparagraph (A) until seven members of the Commission have been appointed under paragraph (1).

(4) The Commission may commence its activities under this section upon the designation of the chairman of the Commission under paragraph (3).

(5) The members of the Commission shall establish procedures for the activities of the Commission, including procedures for calling meetings, requirements for quorums, and the manner of taking votes.

(c) DUTIES.—The Commission shall review the efficacy of the organization of the National Nuclear Security Administration, and the appropriate organization and management of the nuclear weapons programs of the United States, under the current Presidential Administration and under the Presidential Administration commencing in 2001, including—

(1) whether the requirements and objectives of the National Nuclear Security Administration Act are being fully implemented by the Secretary of Energy and Ad-

ministrator of the National Nuclear Security Administration;

(2) the feasibility and advisability of various means of improving the security and counterintelligence posture of the programs of the National Nuclear Security Administration;

(3) the feasibility and advisability of various modifications of existing management and operating contracts for the laboratories under the jurisdiction of the National Nuclear Security Administration; and

(4) whether the national security functions of the Department of Energy, including the National Nuclear Security Administration, should—

(A) be transferred to the Department of Defense;

(B) be established as a semiautonomous agency within the Department of Defense;

(C) be established as an independent agency; or

(D) remain as a semiautonomous agency within the Department of Energy (as provided for under the provisions of the National Nuclear Security Administration Act (title XXXII of Public Law 106-65)).

(d) REPORT.—(1) Not later than May 1, 2001, the Commission shall submit to Congress and to the Secretary of Defense and the Secretary of Energy a report containing the findings and recommendations of the Commission as a result of the review under subsection (c).

(2) The report shall include any comments pertinent to the review by an individual serving as the Secretary of Defense, and an individual serving as the Secretary of Energy, during the duration of the review that any such individual considers appropriate for the report.

(3) The report may include recommendations for legislation and administrative action.

(e) PERSONNEL MATTERS.—(1)(A) Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5316 of title 5, United States Code, for each day (including travel-time) during which such member is engaged in the performance of the duties of the Commission.

(B) All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(3) Any officer or employee of the United States may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(f) INAPPLICABILITY OF FACA.—The provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the activities of the Commission.

(g) TERMINATION.—The Commission shall terminate not later than 90 days after the date on which the Commission submits its report under subsection (d).

(h) FUNDING.—Of the amounts authorized to be appropriated by sections 3101 and 3103, not more than \$975,000 shall be available for the activities of the Commission under this section. Amounts available to the Commission under this section shall remain available until expended.

ADDITIONAL COSPONSORS

S. 1539

At the request of Mr. DODD, the name of the Senator from North Carolina (Mr. EDWARDS) was added as a cosponsor of S. 1539, a bill to provide for the acquisition, construction, and improvement of child care facilities or equipment, and for other purposes.

S. 1900

At the request of Mr. LAUTENBERG, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1900, a bill to amend the Internal Revenue Code of 1986 to allow a credit to holders of qualified bonds issued by Amtrak, and for other purposes.

S. 2274

At the request of Mr. GRASSLEY, the names of the Senator from Ohio (Mr. DEWINE), the Senator from Louisiana (Ms. LANDRIEU) and the Senator from Louisiana (Mr. BREAU) were added as cosponsors of S. 2274, a bill to amend title XIX of the Social Security Act to provide families and disabled children with the opportunity to purchase coverage under the medicaid program for such children.

S. 2639

At the request of Mr. KENNEDY, the name of the Senator from Nebraska (Mr. KERREY) was added as a cosponsor of S. 2639, a bill to amend the Public Health Service Act to provide programs for the treatment of mental illness.

S. 2698

At the request of Mr. MOYNIHAN, the name of the Senator from Missouri (Mr. ASHCROFT) was added as a cosponsor of S. 2698, a bill to amend the Internal Revenue Code of 1986 to provide an incentive to ensure that all Americans gain timely and equitable access to the Internet over current and future generations of broadband capability.

S. 2703

At the request of Mr. AKAKA, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 2703, a bill to amend the provisions of title 39, United States Code, relating to the manner in which pay policies and schedules and fringe benefit programs for postmasters are established.

S. 2739

At the request of Mr. LAUTENBERG, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 2739, a bill to amend title 39, United States Code, to provide for the issuance of a semipostal stamp in order to afford the public a convenient way to contribute to funding for the establishment of the World War II Memorial.

S. RES. 294

At the request of Mr. ABRAHAM, the name of the Senator from Missouri (Mr. ASHCROFT) was added as a cosponsor of S. Res. 294, a resolution designating the month of October 2000 as “Children’s Internet Safety Month”.